



February 13, 2009

SENATE BILL No. 227

DIGEST OF SB 227 (Updated February 11, 2009 6:12 pm - DI 71)

Citations Affected: IC 5-1.4; IC 20-20; IC 20-24; IC 20-26.

Synopsis: Charter school access to various funds and facilities. Allows any charter school located in Indianapolis to have access to funds from the Indianapolis bond bank. (Current law allows only charter schools established by the mayor to have access.) Provides that a charter school may receive technology funds. Provides that a charter school may provide services and receive funding for providing services to a preschool child in the same manner as other public schools. Requires a school corporation to report closed, vacant, or unused facilities to the department of education for publication on the Internet. Provides that the vacant facilities must be offered for sale to charter schools and other educational institutions before the facilities may be otherwise sold.

Effective: July 1, 2009.

Lubbers, Wyss

January 7, 2009, read first time and referred to Committee on Education and Career Development.
February 12, 2009, amended, reported favorably — Do Pass.

C
o
p
y

SB 227—LS 6909/DI 71+



February 13, 2009

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

SENATE BILL No. 227

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 5-1.4-1-10, AS AMENDED BY P.L.1-2005, SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10. "Qualified entity" means the following:

- (1) A city.
- (2) A county.
- (3) A special taxing district located wholly within a county.
- (4) Any entity whose tax levies are subject to review and modification by a city-county legislative body under IC 36-3-6-9.
- (5) A political subdivision (as defined in IC 36-1-2-13) that is located wholly within a county:
 - (A) that has a population of:
 - (i) more than four hundred thousand (400,000) but less than seven hundred thousand (700,000); or
 - (ii) more than two hundred thousand (200,000) but less than three hundred thousand (300,000); or
 - (B) containing a city that:
 - (i) is described in section 5(3) of this chapter; and

SB 227—LS 6909/DI 71+



C
o
p
y

(ii) has a public improvement bond bank under this article.

(6) A charter school established under IC 20-24 that is ~~sponsored by the executive of~~ located within a consolidated city.

(7) Any authority created under IC 36 that leases land or facilities to any qualified entity listed in subdivisions (1) through (6).

SECTION 2. IC 20-20-13-3, AS ADDED BY P.L.218-2005, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. As used in sections 13 through 24 of this chapter, "school corporation" includes, except as otherwise provided in this chapter, the Indiana School for the Blind and Visually Impaired established by IC 20-21-2-1, ~~and~~ the Indiana School for the Deaf established by IC 20-22-2-1, **and a charter school established under IC 20-24.**

SECTION 3. IC 20-24-7-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 13. A charter school may provide services and receive funding for providing services for any child who is eligible to receive funding from a public school.**

SECTION 4. IC 20-26-7-1, AS AMENDED BY P.L.234-2007, SECTION 227, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) If a governing body of a school corporation determines that any real or personal property:

(1) is no longer needed for school purposes; or

(2) should, in the interests of the school corporation, be exchanged for other property;

the governing body may sell or exchange the property in accordance with IC 36-1-11.

(b) Money derived from the sale or exchange of property under this section **and section 1.5 of this chapter** shall be placed in any school fund:

(1) established under applicable law; and

(2) that the governing body considers appropriate.

(c) A governing body may not make a covenant that prohibits the sale of real property to another educational institution.

(d) Each governing body shall make an annual report to the department of vacant, closed, or unused school facilities owned by the school corporation. The department shall publish the list on the web site maintained by the department. If the department learns of additional vacant, closed, or unused school facilities not reported by a school corporation, the department shall add the facilities to the published list.

SECTION 5. IC 20-26-7-1.5 IS ADDED TO THE INDIANA CODE

C
o
p
y



AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009] Sec. 1.5. (a) After a school facility owned by a school corporation appears on the list of vacant, closed, or unused school facilities published by the department under section 1(d) of this chapter, the governing body shall offer the school facility to charter schools and other educational institutions for:

(1) purchase; or

(2) lease, if a charter school or other educational institution is unable to purchase the facility;

before offering the school facility for sale or exchange under section 1 of this chapter.

(b) The sale or lease price for a school facility described under subsection (a):

(1) must be based on the fair market value of the school facility; and

(2) may not be based on the replacement value of the school facility.

(c) Notwithstanding subsection (b), a governing body may sell or lease a school facility described in subsection (a) for a price that is greater than the fair market value of the school facility.

C
o
p
y



COMMITTEE REPORT

Madam President: The Senate Committee on Education and Career Development, to which was referred Senate Bill No. 227, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, after line 18, begin a new paragraph and insert:

"SECTION 4. IC 20-26-7-1, AS AMENDED BY P.L.234-2007, SECTION 227, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) If a governing body of a school corporation determines that any real or personal property:

- (1) is no longer needed for school purposes; or
- (2) should, in the interests of the school corporation, be exchanged for other property;

the governing body may sell or exchange the property in accordance with IC 36-1-11.

(b) Money derived from the sale or exchange of property under this section **and section 1.5 of this chapter** shall be placed in any school fund:

- (1) established under applicable law; and
- (2) that the governing body considers appropriate.

(c) A governing body may not make a covenant that prohibits the sale of real property to another educational institution.

(d) Each governing body shall make an annual report to the department of vacant, closed, or unused school facilities owned by the school corporation. The department shall publish the list on the web site maintained by the department. If the department learns of additional vacant, closed, or unused school facilities not reported by a school corporation, the department shall add the facilities to the published list.

SECTION 5. IC 20-26-7-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009] Sec. 1.5. (a) After a school facility owned by a school corporation appears on the list of vacant, closed, or unused school facilities published by the department under section 1(d) of this chapter, the governing body shall offer the school facility to charter schools and other educational institutions for:

- (1) purchase; or
- (2) lease, if a charter school or other educational institution is unable to purchase the facility;

before offering the school facility for sale or exchange under section 1 of this chapter.

SB 227—LS 6909/DI 71+



C
o
p
y

(b) The sale or lease price for a school facility described under subsection (a):

(1) must be based on the fair market value of the school facility; and

(2) may not be based on the replacement value of the school facility.

(c) Notwithstanding subsection (b), a governing body may sell or lease a school facility described in subsection (a) for a price that is greater than the fair market value of the school facility."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 227 as introduced.)

LUBBERS, Chairperson

Committee Vote: Yeas 7, Nays 2.

**C
o
p
y**

